(b) Yes, Sir.

(c) and (d) A proposal has been submitted to the World Bank for financial assistance for the development of tea industry. World Bank have desired to hold further discussions with the Govt. and have requested for a comprehensive working paper on the proposed project.

**Expanding Trade Relations with Sri Lanka**

2030. SHRI RAHASBIHARI BARIK: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have any proposal to expand trade relation with Sri Lanka;

(b) if so, the areas in which Indo-Sri Lanka trade is going on at present;

(c) the new areas identified for the expansion of Indo-Sri Lanka trade; and

(d) the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) There is no specific proposal as such, but efforts to expand trade relations with Sri Lanka are pursued on an ongoing basis.

(b) Major items of India's export to Sri Lanka include transport equipment, cotton yarn, fabrics & made-ups, machinery & equipments, manufactured goods, drugs & pharmaceuticals, iron & steel, rice, oilmeals, and fruits and vegetables; and major items of India's import from Sri Lanka consist of natural rubber, metal scrap, iron & steel and products, spices, leather, and chemicals.

(c) and (d) At the recently held meeting of the India-Sri Lanka Sub-Commission on Trade, Finance and Investment, the Sri Lankan side requested, and the Indian side agreed to consider, extension of preferential trading arrangements for imports from Sri Lanka of several identified items?

**Indo-Bhutan Trade Relations**

2031. SHRI RAHASBIHARI BARIK: Will the Minister of COMMERCE be pleased to state:

(a) whether steps have been taken by Government to expand Indo-Bhutan trade relations;

(b) if so, the areas identified therefor;

(c) whether any new trade agreement has been signed by both the countries; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) and (b) There is traditional free trade and commerce between India and Bhutan, aimed at unhindered expansion of bilateral trade.

(c) In order to provide further continuity to the Agreement on Trade and Commerce between India and Bhutan upon its expiry on 1 March, 1995, the two Governments have signed its slightly modified version valid for a period of 10 years starting from 2 March, 1995.

(d) As before, the Agreement provides for: free trade and commerce between the two countries — barring certain restrictions such as for the protection of industries in Bhutan or on entry of goods of third country origin, Bhutan's trade with third countries in transit through Indian territory; bilateral trade to be transacted in local currencies, annual refund in respect of excise duties on goods exported to each other; and mutual consultations.

**Effect of Import of Palm Oil on price of Coconut Oil**

2032. SHRI SUNDER SINGH BHANDARI: Will the Minister of COMMERCE be pleased to state:

(a) how much has the free import of

palm oil adversely affected the price of coconut oil;

(b) whether duty component on the import of edible oil has been determined; if so, the details thereof; and

(c) what has been the drop in various edible oil prices following Government's decision to put oils in the CGL category?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) There is no direct co-relation between the import of palmolein and behaviour of coconut oil prices at the macro level.

(b) The import of edible oils except coconut oil, Palm Kernel oil, RBD Pal Oil and RBD Palm Stearin has been placed under OGL w.e.f. 1.3.95 at 30% duty.

(c) The wholesale price index of sub-group edible oils has recorded a slight decrease of 0.2% during the period 25.2.95 to 4.3.95.

**Coffee through PDS**

2033. SHRI YERRA NARAYANASWAMY: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the Coffee Board has offered coffee to the Public Distribution System;

(b) if so, the details thereof;

(c) what is the quantity offered; and

(d) whether acute shortage of coffee is due to lack of planning by Government?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) No, Sir.

(b) Does not arise.

(c) Does not arise.

(d) Though domestic prices are considerably high, on account of rise in the international price of coffee, there is as such no shortage of coffee.

**Clearance of claims of engineering goods exporters**

2034. SHRI K.M. KHAN:
SHRI SANJAY DALMIA:

Will the Minister of COMMERCE be pleased to state:

(a) whether a large number of claims of engineering goods exporters for payment of their claims under International Price Reimbursement Scheme are pending with Government;

(b) if so, the details thereof; and

(c) the time by which these claims are likely to be cleared?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir.

(b) As on 13th March, 1995, the total value of claims pending with Engineering Export Promotion Council under the International Price Reimbursement Scheme (IPRS) is Rs. 187.20 crores.

(c) IPRS payments are primarily financed out of receipts from the Engineering Goods Export Assistance Fund (EGEAF) cess, levied on integrated steel plants. Efforts are being made to ensure early clearance of pending claims.

**Ceiling on grant of permits for Export of Seeds**

2035. SHRI G. PRATHAPA REDDY: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have imposed ceiling on the grant of permits for export of some varieties of seeds in 1993-94 and 1994-95;

(b) if so, the details of varieties of seeds for which there is a quantitative ceiling and the reasons therefor;

(c) whether Government propose to liberalise the present policy or undertake a periodic review to eliminate such quantitative ceiling or total ban on export; and